

Southwestern Bell Practices Urged as Subject of Hearing

By Tom Curtis

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HOUSTON, April 1 — A Southwestern Bell Telephone Co. competitor today asked that a Federal Communications Commission hearing look into whether the Bell subsidiary illegally tapped phones, contributed to politicians and violated required accounting practices.

An FCC attorney in Washington said that apparently it was the first time that the charges against Southwestern Bell have been formally raised before the agency, which regulates interstate phone service. The charges stem from allegations by two former Texas executives of Southwestern Bell, and are part of a \$29 million civil lawsuit pending against the company in San Antonio.

Roy M. Teel, doing business as a Houston radiophone service, is competing with Southwestern Bell to provide newly available airplane-to-ground phone service in Houston. His attorney in Washington filed a brief with the FCC's Review Board asking that the administrative law judge who hears which firm gets the set of frequencies available for air-to-ground service also be empowered to hear the charges against Bell.

Included with the brief is a sworn statement of James H. Ashley, former commercial manager for Southwestern Bell and a plaintiff in the San Antonio suit. Ashley charges that he "personally participated in" at least 15 "illegal" wire taps arranged by Bell for local law enforcement officers

but not approved by a court. Ashley said that wiretapping for law enforcement agents on criminal suspects was a widespread company policy "commonly known and approved and condoned, expressly or tacitly by top company officials."

Southwestern Bell has denied taking part in any illegal wiretapping.

Ashley's statement also says that high-ranking officials, including himself, were given \$1,000 raises to cover their political contributions of \$50 per month to a slush fund. The company has denied that it operated a slush fund, but officials in Texas have admitted collecting and contributing political contributions that they said were voluntary.

The brief also contains Ashley's charge that the company maintained a leased hunting preserve at Uvalde, in South Texas, where politicians and others were taken as guests of the company. Ashley said the lease was paid for personally by a company official who was reimbursed after he submitted a voucher for "public relations expenses."

The brief asked for inquiry into whether this accounting practice violated the Communications Act of 1934.

A Southwestern Bell spokesman in St. Louis declined to respond to that charge because he said it might be covered by a court order in San Antonio forbidding parties in the suit there from commenting on depositions in the case.